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NFO Plog Research

FY03 UTAH ADVERTISING EFFECTIVENESS STUDY

Presentation:

NFO/ Riester Robb/ and
Utah Travel Council

October 2003

OBJECTIVES OF THE STUDY

- The quantitative project consists of two waves – Winter and Spring.
- Primary evaluation of the effectiveness of Utah's advertising and other marketing programs conducted in eleven Western States.
- Three test markets – Los Angeles, Dallas, and Las Vegas are also examined.
- ROI is determined for the entire FY 2003.

SPECIFIC GOALS

- Identify the proportion of Utah's marketing area households who are aware of Utah's advertising and contrast their behavior to those unaware of advertising.
- Measure Utah visitation attributable to advertising and their value (expenditures, travel party size, and length of trips to Utah).
- Evaluate trip satisfaction and intent to visit.
- Demographically profile Utah leisure visitors.

METHODOLOGY

- ✦ Mail-out/ mail back procedure
- ✦ NFO Panel
- ✦ Mailout

	Marketing Area				
	Total	Western States	Los Angeles	Dallas	Las Vegas
PER WEEK MAILOUT:					
Winter Wave					
Weeks 1-10	280	130	75	75	--
Weeks 11-12	370	168	101	101	--
Total	3,570	1,636	952	952	--
Spring Wave					
Weeks 1-4	555	265	145	--	145
Total	2,220	1,060	580	--	580

- ✦ Qualified respondents returned questionnaire and traveled in the past 12 months

TRAVEL PATTERNS

	Total US Leisure Travelers*	Marketing Area					
		Total Western States		Los Angeles		Dallas	Las Vegas
		Winter Wave	Spring Wave	Winter Wave	Spring Wave	Winter Wave	Spring Wave
Base: Total Respondents	6,747	1,409	821	393	202	351	221
Travel Patterns							
Avg. # Trips Past 12 Months	4.0	3.6	3.4	3.6	3.8	3.2	3.6
Compared to Prior 12 Months:**							
More Trips	NA	16%	16%	20%	15%	14%	12%
Same Number of Trips	NA	63	63	60	68	63	67
Fewer Trips	NA	19	21	20	16	22	21
Net Change: More - Fewer	NA	-3	-5	0	-1	-8	-9

*Based on respondents from NFO Plog Research's 2003 *American Traveler Survey* who took 1+ leisure trips in past year

** Don't know/ no answers responses not shown on table

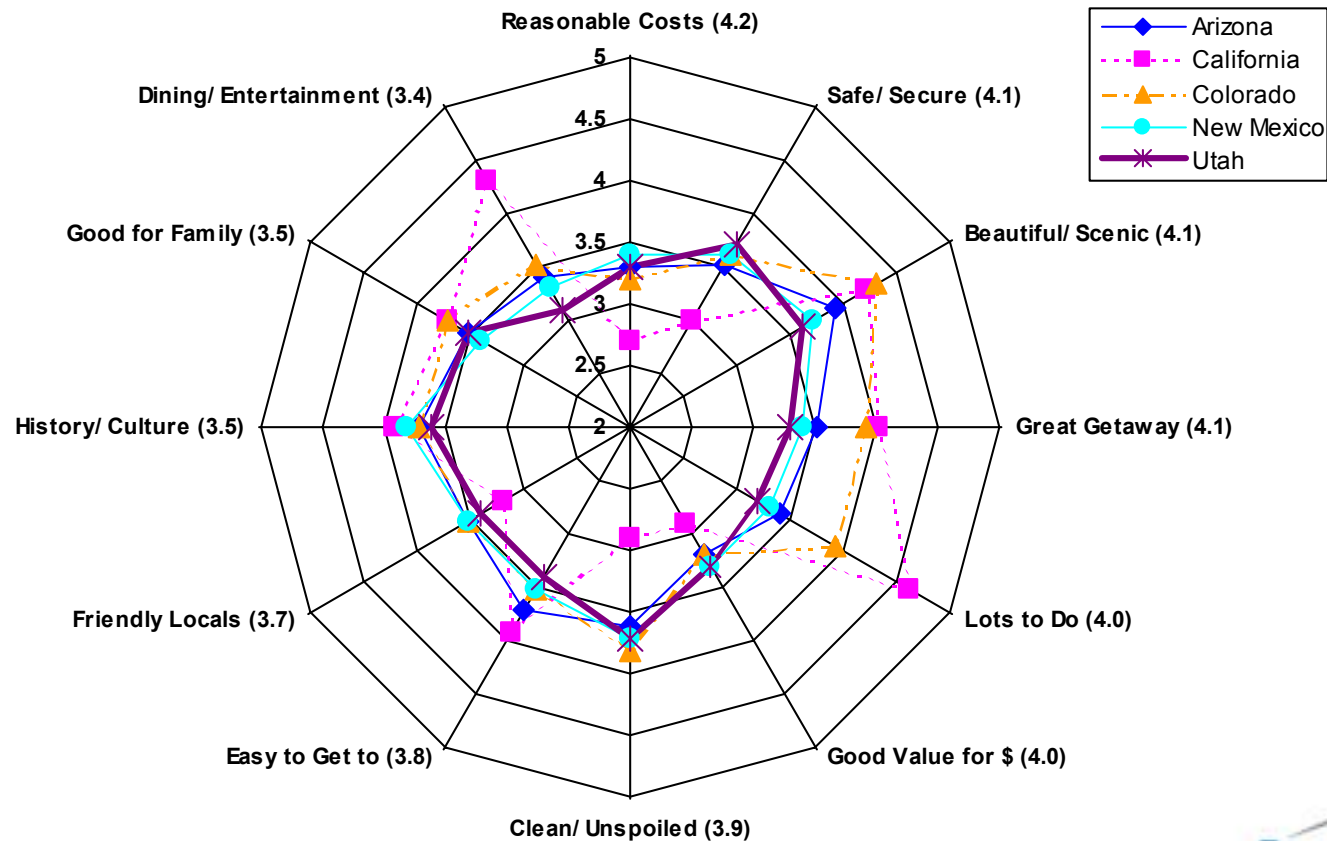


DEMOGRAPHICS

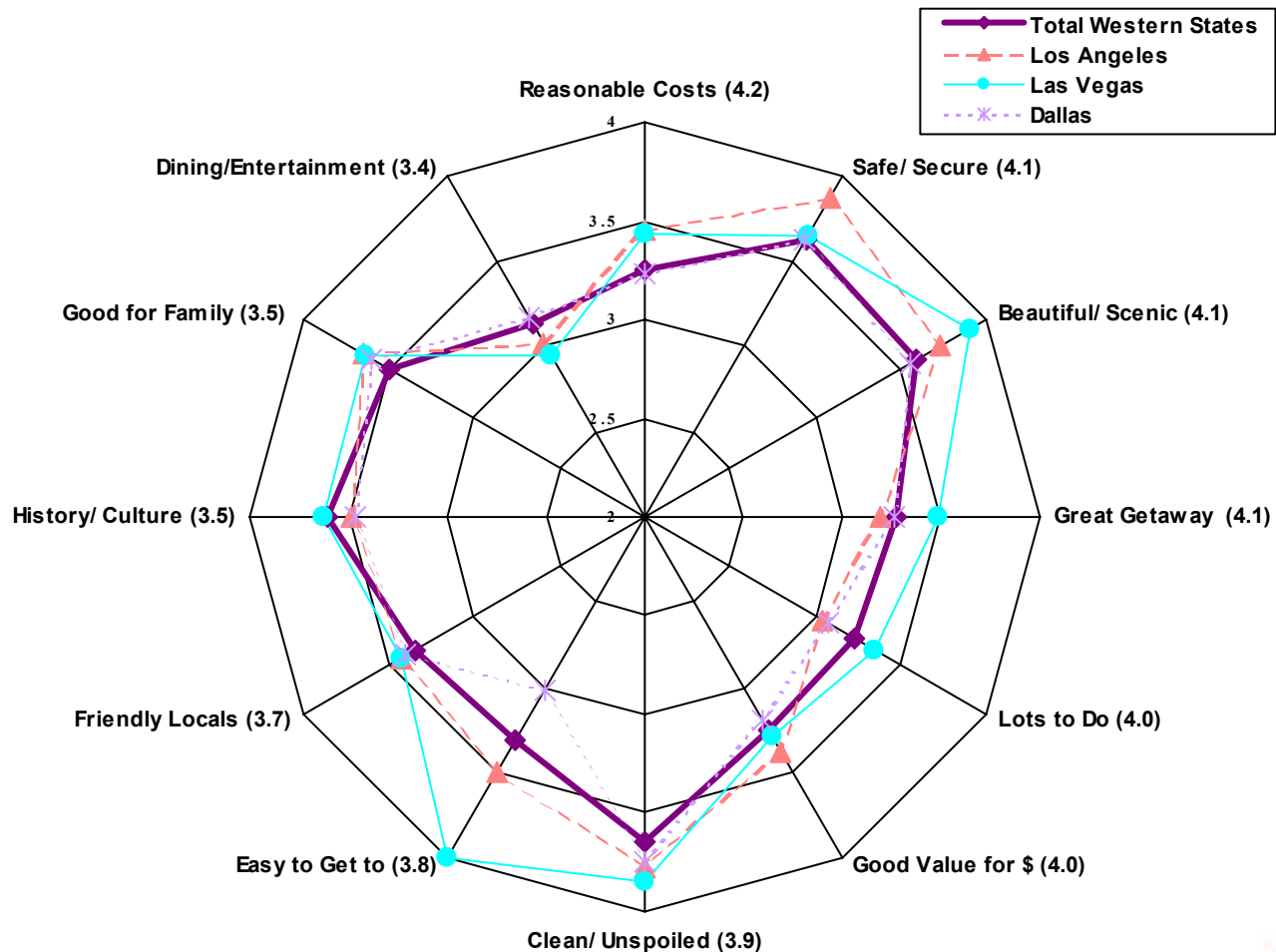
	Total US Leisure Travelers*	Marketing Area					
		Total Western States		Los Angeles		Dallas	Las Vegas
		Winter Wave	Spring Wave	Winter Wave	Spring Wave	Winter Wave	Spring Wave
Base: Total Respondents	6,747	1,409	821	393	202	351	221
Demographics							
Average Age	48	52	52	53	54	51	52
Median Income	\$53,200	\$42	\$44	\$50	\$51	\$49	\$41
Graduated College	38%	36%	35%	37%	37%	35%	29%
Retired	20	24	25	26	23	23	24
Married	74	60	60	55	55	68	56

*Based on respondents from NFO Plog Research's 2003 *American Traveler Survey* who took 1+ leisure trips in past year

COMPARISON OF DESTINATION ATTRIBUTES BY STATE SPRING WAVE



COMPARISON OF DESTINATION ATTRIBUTES BY MARKET AREA





RECALL AND IMPACT OF ADVERTISING

ADVERTISING AWARENESS

UTAH ADS BY TOTAL REGION

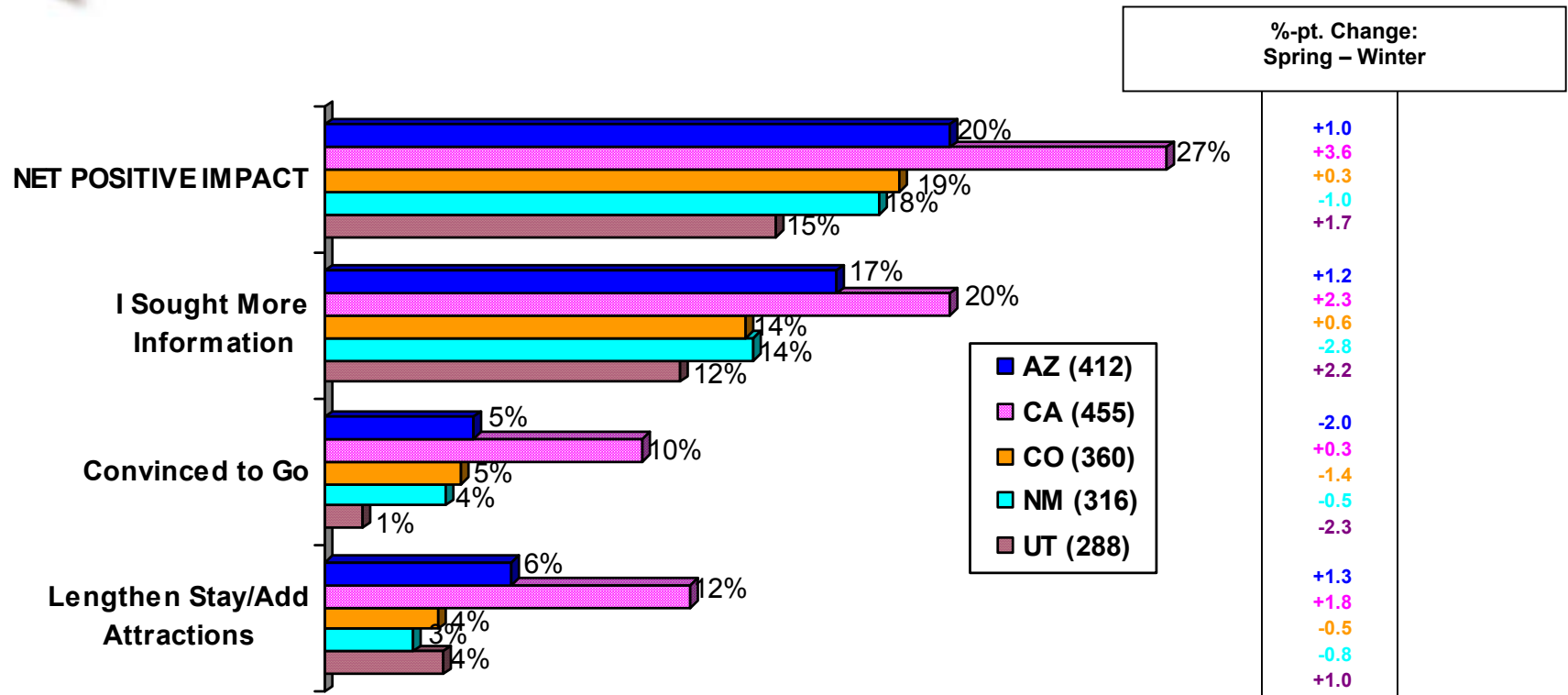
	Ads for Any State		Utah Ads: Total Western States	
	Winter Wave	Spring Wave	Winter Wave	Spring Wave
Winter/ Spring Wave (Total Base)	1,409	821	1,409	821
NET: Any Awareness	77%	75%	43%	41%
Base Aware/ Answered	1,088	612	604	332
NET Print Media	61%	61%	70%	72%
Magazines	52	54	57	57
Newspapers	43	38	31	26
Direct Mail	17	19	11	9
NET Electronic Media	58	56	44	47
Television	52	51	37	36
Radio	20	19	8	6
Internet	16	15	9	11

ADVERTISING AWARENESS

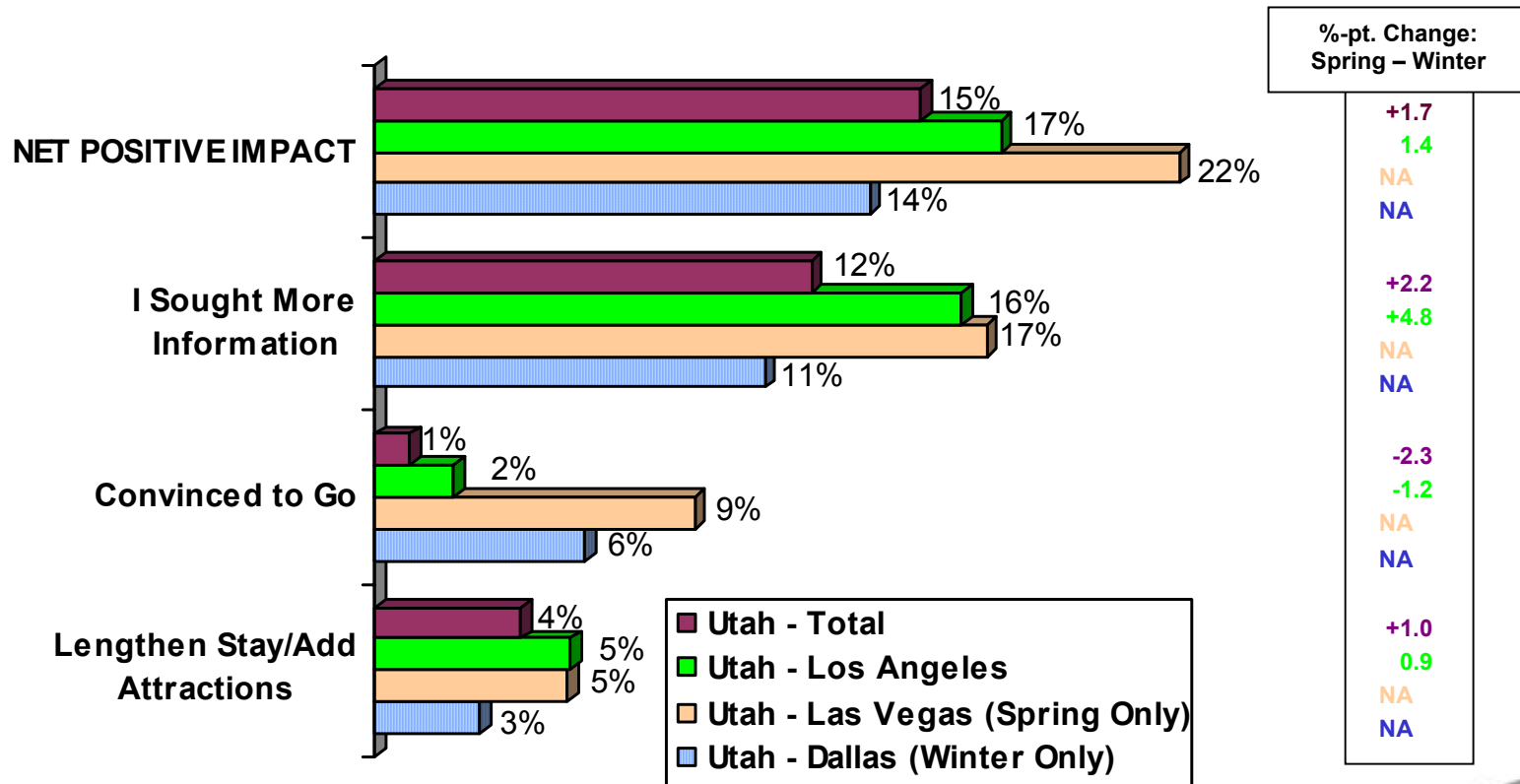
UTAH ADS BY MARKETING AREA

	Los Angeles		Dallas	Las Vegas
	Winter Wave	Spring Wave	Winter Wave	Spring Wave
All Three Waves (Base)	393	202	351	221
NET: Any Awareness	53%	52%	32%	60%
Base Aware/ Answered	208	105	113	133
NET Print Media	66%	73%	58%	70%
Magazines	53	57	35	49
Newspapers	32	38	35	39
Direct Mail	11	8	11	15
NET Electronic Media	60	52	49	54
Television	51	41	41	45
Radio	13	8	5	17
Internet	14	9	7	11

PERCEIVED IMPACT OF ADVERTISING BY STATE



PERCEIVED IMPACT OF ADVERTISING BY UTAH MARKETING AREA



UTAH ADVERTISING AWARENESS/ IMPACT/ VISITATION

	Total		Los Angeles		Dallas	Las Vegas
	Winter Wave	Spring Wave	Winter Wave	Spring Wave	Winter Wave	Spring Wave
All States Total						
Base:	1,409	821	393	202	351	221
Saw Utah Ads	43%	41%	53%	52%	32%	60%
Saw Ads & Visited	7	7	7	6	3	22
Saw Ads & Plan to Visit	12	10	14	10	6	29
Saw Ads & Visited or Plan to Visit	14	13	15	13	8	35
Saw Ads & Impact*	5	5	7	8	4	11
Saw Ads, Visited, & Impact*	2	2	2	2	1	6
Saw Ads, Plan to Visit, & Impact*	3	3	5	4	3	9
Saw Ads, Visited/Plan, & Impact*	3	3	5	4	4	10



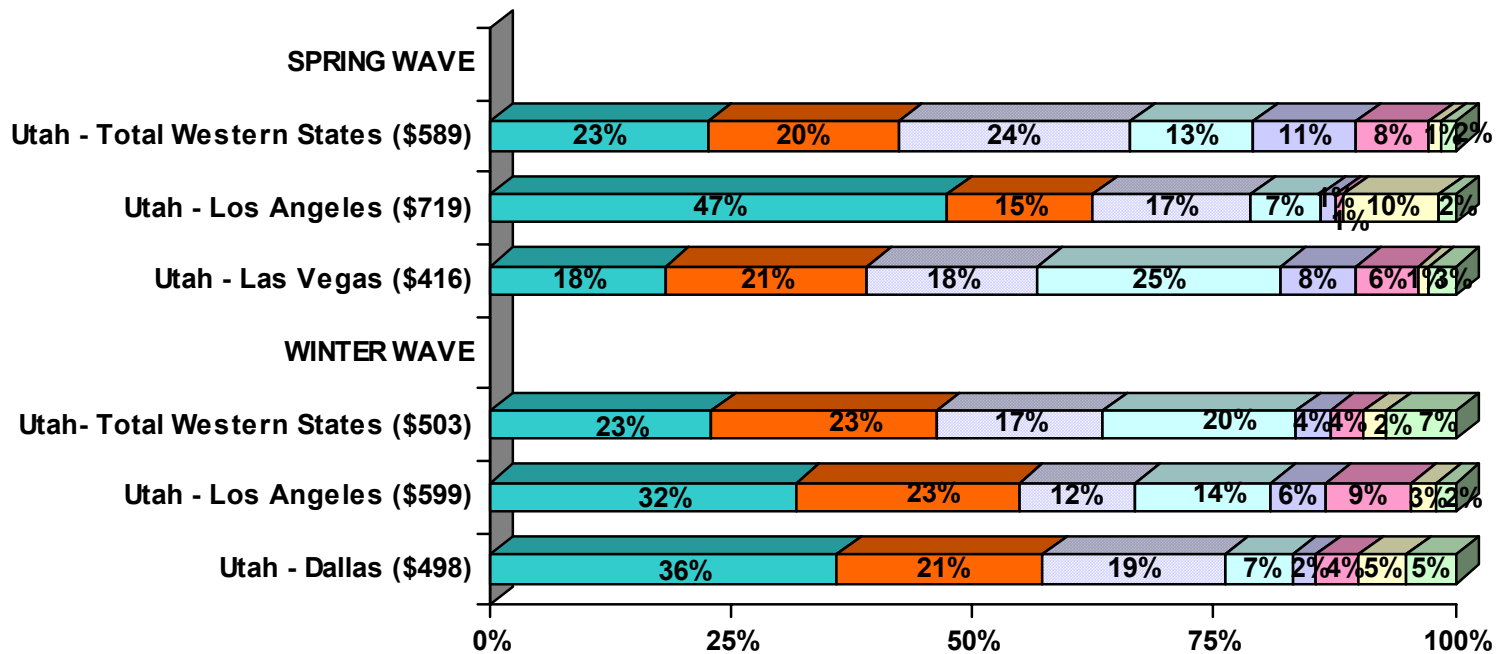
UTAH TRAVEL HABITS

NUMBER OF LEISURE TRIPS TO UTAH IN PAST 12 MONTHS

	Marketing Area					
	Total		Los Angeles		Dallas	Las Vegas
	Winter Wave	Spring Wave	Winter Wave	Spring Wave	Winter Wave	Spring Wave
<i>DAY TRIPS</i>	2.2	1.4	1.5	2.4	1.7	2.0
<i>OVERNIGHT TRIPS</i>	2.2	1.7	2.3	2.4	1.5	2.0

ESTIMATED SPENDING IN UTAH TOTAL (DAY + OVERNIGHT) TRIPS

■ Transportation
 ■ Meals
 ■ Lodging
 ■ Shopping
 ■ Entertainment
 ■ Outdoor Recreation
 ■ Rental Car
 ■ Other

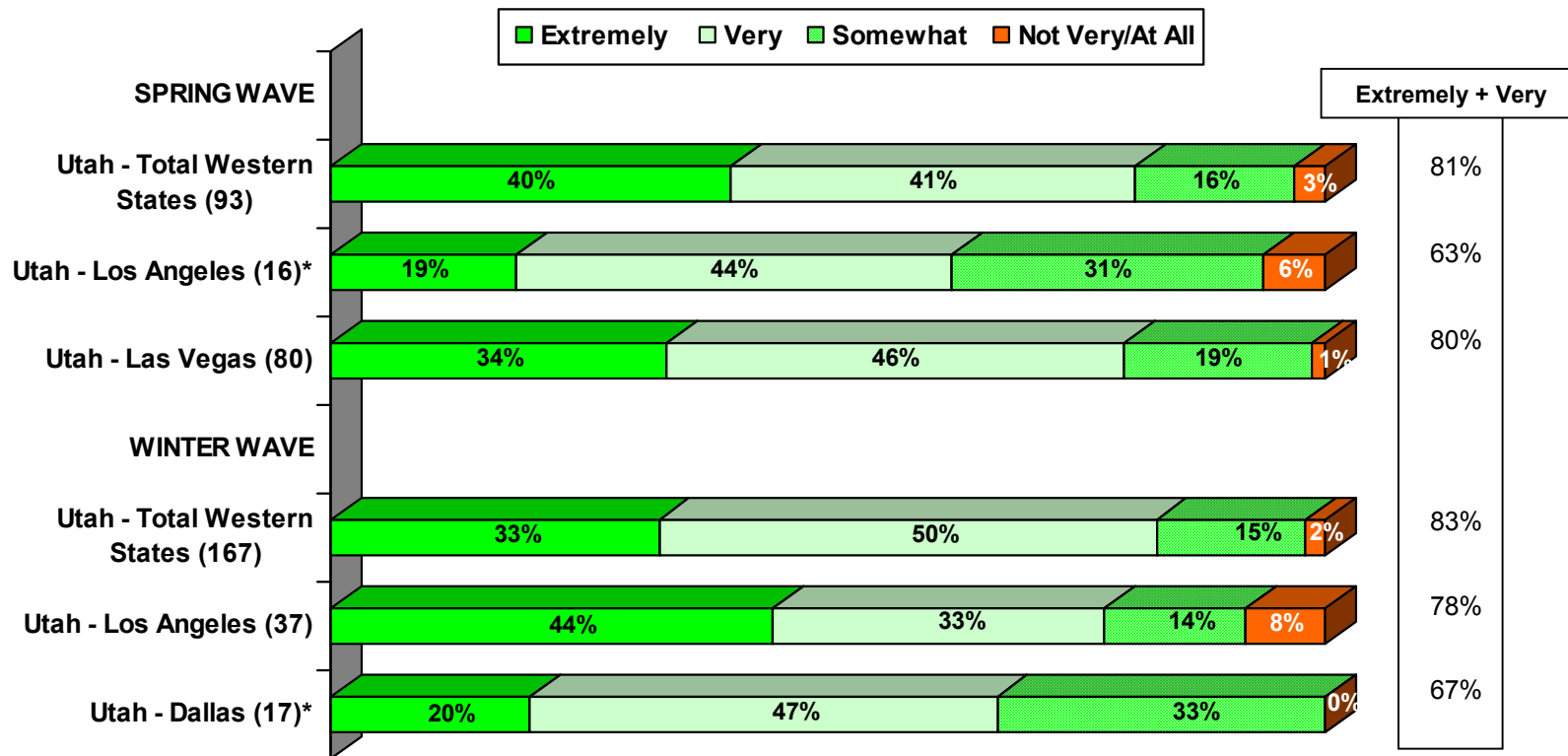


PRIMARY TYPE OF ACCOMMODATION USED DURING LAST UTAH VACATION

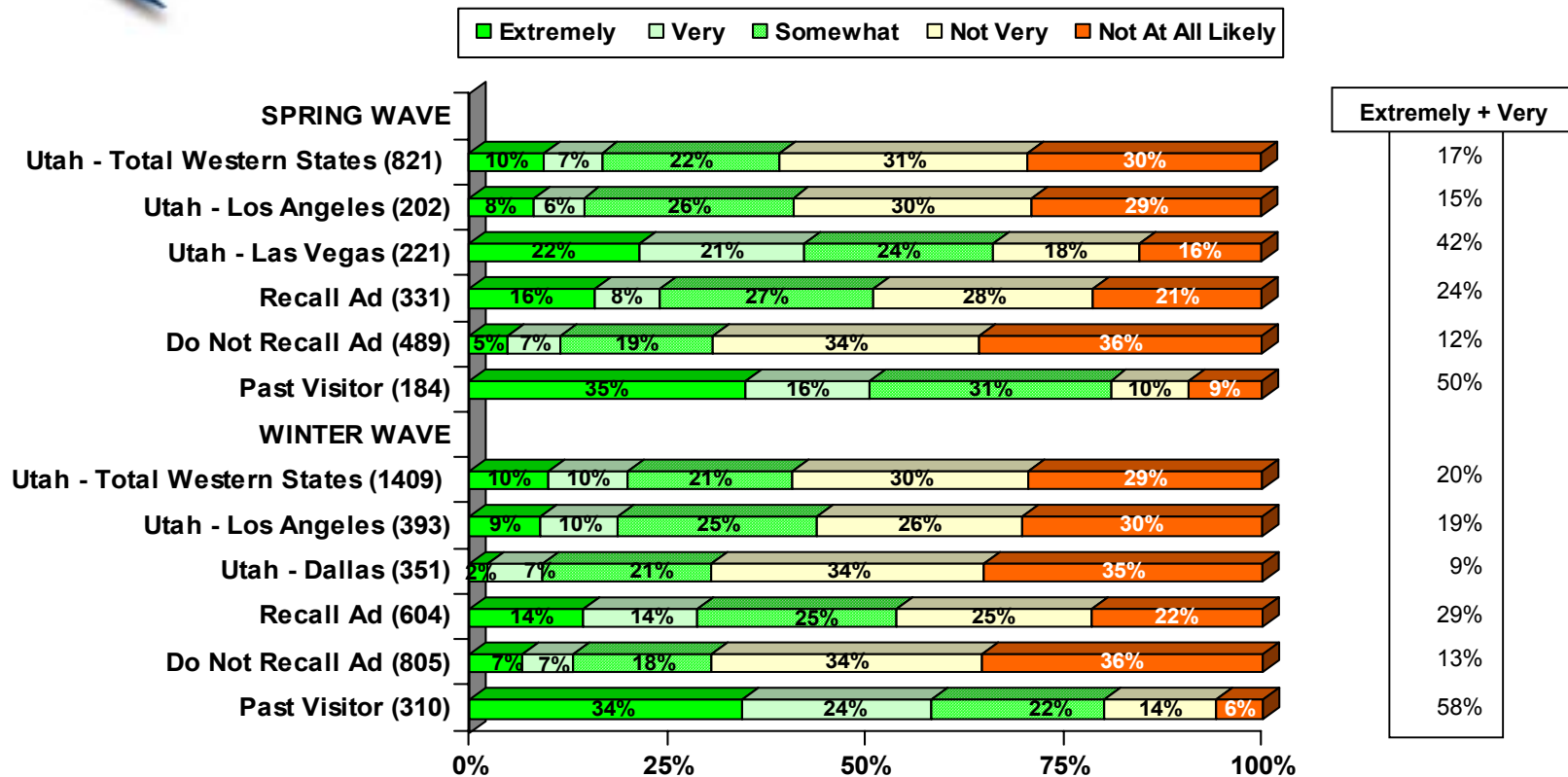
	Marketing Area					
	Total Utah Visitors		Los Angeles		Dallas	Las Vegas
	Winter Wave	Spring Wave	Winter Wave	Spring Wave	Winter Wave	Spring Wave
Base (Visitors):	167	93	37	16*	17*	80
Hotel/ Motel	48%	43%	51%	56%	58%	46%
Family/ Friend	28	24	17	19	8	24
RV/ Campground	18	13	14	13	25	16
Condo/ Timeshare	5	14	14	6	--	6
B&B/ Other	--	6	3	6	8	8

* Very small sample size

SATISFACTION WITH UTAH



LIKELIHOOD OF VISITING UTAH IN FUTURE



RETURN ON INVESTMENT (ROI)

UTAH RETURN ON INVESTMENT

Utah Return on Investment (ROI) 12 Western States Market

Total Households

ATS: % Taking a Leisure Trip in Past 12 Months

BASE: Qualified HH Taking a Leisure Trip

% Seen or Heard Ad for Utah: (Q7)

% Ad: Seen (Q7) & Visited (Q10)

Leisure Travel HH Seen & Visited

% Ad: Seen (Q7) & Visited (Q10) & Positive Impact: (Q8)

Leisure Travel HH Seen & Visited & Positive Impact

Project \$ from Leisure HH (Q11)

Tax Revenues (estimated at 8%)

Tax Revenue Per Ad \$ (Ad Expenditures + Placement)

Ad Expenditures: \$3.5 million

November 2002 - May 2003

Conservative	Liberal	Mid-Point
29,213,000	29,213,000	29,213,000
68.2%	68.2%	68.2%
19,926,187	19,926,187	19,926,187
42.0%	42.0%	42.0%
7.4%	7.4%	7.4%
	1,465,372	1,465,372
1.6%		
321,609		
\$378,098,662	\$1,722,761,809	\$1,050,430,235
\$30,247,893	\$137,820,945	\$84,034,419
\$8.64	\$39.4	\$24.0

SUMMARY

About one in five travelers in 12 Western states has been to Utah in the past three years. They spend about \$589 per trip.

Among residents in 11 Western states, Utah's image is similar to competitive states on most attributes, but is deficient on:

- ◆ Beautiful/ scenic
- ◆ Great getaway
- ◆ Lots to do
- ◆ Dining/ entertainment

However, if Utah can entice tourists to come, they like what they find. Among residents of 11 Western states, over 80 percent of Utah visitors were satisfied with their visit.

SUMMARY (cont.)

Two in five **recall** Utah's advertising, lowest among the competitive states. By market, results are: 53 percent in Los Angeles, 60 percent in Las Vegas and 32 percent in Dallas.

Correspondingly, Utah's advertising **impact** is the lowest among competitive states. Further promotion of Utah and development of a more accurate image is essential to not only attracting greater tourism, but even maintaining the current level.

Why? Because advertising works. Meanwhile, competitive states constantly seek to "raise the bar" in competing for tourists' dollars. If Utah makes no change, it will lose ground vis-à-vis nearby competitive destinations.

SUMMARY *(cont.)*

Fewer than one in five (17%) respondents expect (*extremely/ very likely*) to visit Utah in the future. The ratio is higher among past visitors and slightly higher among those aware of the advertising.

Currently, using the conservative estimate, the Utah Travel council impacts over \$30 million of tax revenue, returning \$8.64 on each advertising dollar spent.

Utah Advertising Effectiveness Study

Return on Investment of Public Funds

- Ad Expenditures: \$3.5 million
- 321,609 leisure travel households
 - saw the ad, said the ad influenced them to come to Utah, and visited
- \$378.1 million spent in Utah by these households
- Resulted in \$30.2 million in tax revenues (conservative estimate at 8%)
- **Tax Revenue per Ad \$: \$8.64**